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CENTRAL INTELLIGENCE AGENCY

REPORT

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INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

CD NO.

COUNTRY Communist China

DATE OF INFORMATION 1949

SUBJECT Economic

HOW PUBLISHED Daily newspaper

DATE DIST. 18 N. 1949

WHERE PUBLISHED Hong Kong

NO. OF PAGES 3

DATE PUBLISHED 16 Oct 1949

SUPPLEMENT TO REPORT NO.

LANGUAGE Chinese

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SOURCE Wen-hui Pao.

SUNG-CHIANG HOLDS GENERAL CONFERENCE

OUTLINE OF CONFERENCE PROCEEDINGS -- Wen-hui Pao, 16 Oct 49

Shang-hai, 14 October (NCA) -- On 30 September a general conference of 286 delegates from the various localities and circles of Sung-chiang Hsien was held at Sung-chiang, Kiangsu. Hsien Chief Lu Hsun-ju (Ueda: 12870, 3264, 2031), reported on the preparatory stages of the conference and the selection of the conference presidium. Jao Sou-shih (13603, 6511, 7954), secretary of the East China Bureau of the CCP Central Committee, spoke on economic problems. Yu K'e (253, 568), secretary of the Sung-chiang Hsien CCP Committee, reported on the present and future aims and duties of Sung-chiang Hsien. Finally Lu Hsun-ju reported on administrative activities since the liberation of the area.

On 1 and 2 October, ten discussion groups, representing management-labor, youth, independent tradesmen, industrialists, gentry and farmers, were formed to study and discuss such matters as temporary regulations on reduction of rent and interest on farms in the East China area, measures used by the Southern Kiangsu Administrative District to collect public grain, and measures used by the Shang-hai Military Control Commission (SMCC) in settling labor-management disputes. Members of the presidium of the conference visited the various groups and joined in their discussion.

On 3 and 4 October, various problems were discussed at the plenary conference; 42 delegates delivered speeches in which administrative policies and aims were praised. At the afternoon session of 4 October, after speeches by Yu K'e and Lu Hsun-ju, the following items were approved:

1. Drafts of the measures governing the levying of public grain for 1949 in both Sung-chiang Hsien and the Southern Kiangsu Administrative District. The fixed rates for the levies were amended. Those whose income was not over 2 yuan [*sic*] were exempted from the fall quarter public grain levy, and the quotas of the middle class farmers and the small landowners were reduced.

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2. Drafts of the temporary amended regulations for the reduction of rent and interest.

3. Reports made by the SMCC on the temporary measures governing the settlement of labor-management disputes and resuming business operations. Various problems were raised but were left for the following conference to discuss.

4. A presidium was named to act as the standing committee until the second conference. It was decided that research committees would be established to study such problems as the relief of distress caused by national calamities, culture and education, resumption of operations by workers and industries, labor-management relations, and tax adjustments.

#### JAO SOU-SHIH SPEAKS ON ECONOMIC POLICIES -- Wen-hui Pao, 16 Oct 49

Shang-hai, 14 October (NCNA) -- Jao Sou-shih (Ueda: 13603, 6511, 7974), secretary of the East China Bureau of the CCP Central Committee, addressing the Sung-chiang Hsien (Kiangsu) General Conference, discussed the present economic problems and policies of Sung-chiang Hsien.

##### 1. Reduction of Rent and Interest

Recently the East China Bureau promulgated draft regulations on reducing rent and interest in the agricultural areas of East China. It was suggested that assemblies be held in various areas to study, discuss, and put the draft into effect. As suggested, the rent is to be reduced 25 to 30 percent and at the same time landowners are to be restrained from transferring or selling property or evicting tenants. Those to whom the reduction of rent will cause undue hardship may appeal the case. Those who have obtained land through illegal means and those who have fought against the Liberation Army will have their land taken away from them after the due course of action. High rates of interest on loans made to farmers will be terminated and more reasonable rates established.

The question arises as to whether land reform will become a reality in China. This is the ultimate aim of the CCP but the progress toward this goal must be gradual since hostilities have not yet terminated. Reduction of rent and interest and the abolishment of improper practices by landowners are steps toward land reform. Since over 80 percent of the population in China are farmers and since the greater percentage of the arable farm land is owned by the nonworking landowner class which takes undue advantage of the farmer class, it becomes the patriotic duty of all citizens to support the land-reform movement. The feudal system of the past must be revolutionized. The tiller should own his land so that he may have the incentive to expand his output and thus increase his purchasing power.

##### 2. Policies Toward Industry and Commerce

Speculative activities and businesses are not in accord with government policies and should be discontinued. All policies should be advantageous to public and private, labor and management, urban and rural, foreign and domestic, industrial and commercial interests. Production should be encouraged and strikes discouraged. The reports made by the Shang-hai Military Control Commission on the measures governing the settlement of labor-management disputes and resuming business operations should be adopted.

##### 3. Problem of Economic Responsibility

Since the war has not yet terminated, it is necessary to continue to supply the front lines with their needs and for citizens of both rural and urban areas to contribute taxes and public provisions. Levies will be made in accordance

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with the amount produced by the individual. KMT records will be used temporarily as the basis for computations. Formerly, the KMT reactionaries collected taxes for their own selfish motives, but now taxes are for public activities only. The method used by the South Kiangsu Administrative District to collect public grain is very logical.

Great victories have been gained on both battle and political fronts. On the other hand, problems will continue to arise. The KMT reactionaries will not give up easily. They will continue to cause disturbances, and the citizens should always be alert to their treachery. China has the support of the USSR and the other new democracies. All difficulties will ultimately be overcome.

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